

THE NORTH BONNEVILLE PUBLIC DEVELOPMENT AUTHORITY

ANNUAL BUDGET 2018

EXPLANATION and HIGHLIGHTS

Total Income: \$1,723,920
\$1,559,732

Total Expenses:

Net Income: \$164,188

Tax Estimate: \$505,052

INCOME HIGHLIGHTS

Sales: Cannabis \$1,100,000

Paraphernalia \$100,000

Tax Collection \$505,052

- Anticipated Sales flat to 2017 numbers. With the closing of North Bonneville's main tourist attraction, the Bonneville Hot Springs, we saw a drop in sales in early 2017. The NBPDA's Cannabis Corner is currently trending even with 2016 numbers and should hold onto its current market share. Conservatively we have budgeted accordingly.

Sales: Sales - Other \$10,000

- "Sales - Other" refers to ATM fee income and is expected to continue as long as Credit Card sales are prohibited due to Federal laws.

TOTAL INCOME: \$1,723,920

- Anticipated Income flat to 2017

BOARD EXPENSE HIGHLIGHTS

Financial Services: \$20,000

Legal Services: \$6,000

- Financial Services needs up significantly from 2017, as there will be another State Audit. Finance Related Professional Services and Legal Services needs remain flat.

Board Activities: \$9,000

- Board Activities expenses down slightly from 2017. Office Rent decreased by \$1,200 for 2018.

TOTAL BOARD EXPENSES: \$35,000

- Board Expenses approximately double 2017 budget in anticipation of State Auditor's Office (SAO) biannual audit.

STORE EXPENSE HIGHLIGHTS

Salaries and Wages: \$260,000

Benefits: \$90,000

- Salaries and Wages and Benefits remain flat to 2017 budget. Though a Cost of Living increase is anticipated, careful monitoring of monthly allocated payroll hours should ensure our ability to keep these costs comparable to sales figures. Staff turnover remains minimal.

Travel/Meals/Memberships: \$3,000 **Store Training: \$3,000**

- Travel/Meals/Memberships budget is conservative for 2018. Store Training budget category was added in 2017 to provide for medical consultant training fees. Staff development continues to be a focus for 2018.

Rent or Lease: \$82,680

- Current lease calls for a 5% increase over 2017.

Marijuana Flower: \$460,000 **Paraphernalia: \$50,000**

- Product expenses are reviewed monthly and funds are allocated according to current sales trends and market trends. This budget allows for acquisition to meet business needs throughout the year.

Liability Insurance: \$10,000

- Good standing decreased premiums in 2017 and budget was adjusted. 2018 premiums are anticipated to stay flat to previous year.

Marijuana Tax: \$407,000

Sales Tax: \$92,400

B&O Tax: \$5,652

- Taxes will be paid in accordance with state and local laws, based on monthly revenues.

TOTAL STORE EXPENSES: \$1,117,732

- Total Store Expenses up approximately \$3,000 from 2017 largely due to a \$6,930 rent increase.

TOTAL EXPENSES and INCOME

TOTAL ANTICIPATED EXPENSES: \$1,559,732

- Anticipated expenses down \$52,570 from 2017 consistent with adjustments to the general ledger regarding debt payment. However, a \$6,930 rent increase is expected. \$16,000 in anticipated SAO audit costs is offset by the 2017 Capital Improvements cost.

TOTAL ANTICIPATED NET INCOME: \$164,188

- These funds depend on actual sales figures and may be made available for Debt Redemption, Emergency Fund, Grant Disbursement, or other allocation.